



## DEPARTMENT OF JUSTICE

Antitrust Division

**R. HEWITT PATE**

Assistant Attorney General

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June 30, 2003

The Honorable William V. Irons  
President of the Senate  
State Senate  
Providence, Rhode Island 02903

The Honorable Joseph A. Montalbano  
Majority Leader of the Senate  
Majority Leader's Office  
State Senate  
Providence, Rhode Island 02903

The Honorable Dennis L. Algieri  
Minority Leader of the Senate  
Minority Leader's Office  
State Senate  
Providence, Rhode Island 02903

Members of the Senate Commerce, Housing,  
and Municipal Government Committee  
c/o The Honorable John A. Celona, Chairperson  
State Senate  
Providence, Rhode Island 02903

Members of the Senate Judiciary Committee  
c/o The Honorable Michael J. McCaffrey, Chairperson  
State Senate  
Providence, Rhode Island 02903

Re: House Bill No. 5936, Proposed Restrictions on Competition  
From Non-Attorneys In Real Estate Closing Activities

Dear Mr. President and Members of the Senate:

We understand that the Rhode Island House of Representatives recently passed a bill that would amend the definition of "practice of law" to require lawyers to represent buyers in virtually all aspects of the real estate closing process. House Bill No. 5936, entitled, "An Act Relating To Criminal Offenses - Law Practice," was referred to the Senate Commerce, Housing, and Municipal Government Committee June 26, 2003. It is presently scheduled to be heard on Tuesday, July 1, 2003.

This bill is very similar to House Bill No. 7462, considered by the House of Representatives last year. The Department of Justice and the Federal Trade Commission urged the House to reject that bill because it would have restrained competition between lawyers and nonlawyers for real estate closing business, likely resulting in increased costs for Rhode Island consumers. The current bill raises many of the same concerns as House Bill No. 7462 did. Accordingly, we urge the General Assembly to reject the current legislation for the reasons stated in our March 29, 2002 letter.<sup>1</sup> A copy of our 2002 letter is attached.

Sincerely yours,

/s/

R. Hewitt Pate  
Assistant Attorney General  
United States Department of Justice  
Antitrust Division

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<sup>1</sup> The bill primarily differs from the old bill in one respect. The new bill will allow realtors to answer questions about purchase and sale agreements and other issues that the old bill would have forbidden. This change does not diminish our concerns about the potential anticompetitive impact of the bill and we urge its rejection.